Filed for intro on 02/16/2005 SENATE BILL 1230 By Miller

HOUSE BILL 1691 By Stanley

AN ACT to enact the "Teacher Choice Compensation Act" and to amend Tennessee Code Annotated, Title 49, Chapter 3 and Title 49, Chapter 5, relative to employment and compensation of teachers.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Title 49, Chapter 5, is amended by adding Sections 2 through 7 of this act as a new, appropriately designated part.

SECTION 2. This part shall be known and may be cited as the "Teacher Choice Compensation Act".

SECTION 3. There is hereby created a "Teacher Choice Compensation Package" to permit performance-based salary stipends upon the decision of the teacher to surrender tenure or to opt out of receipt of tenure, to reward teachers for objectively demonstrating superior performance.

SECTION 4. To be eligible for the teacher choice compensation package, a licensed teacher shall opt out of receipt of or shall surrender tenure for the duration of employment with the LEA.

- (1) A teacher may decide to end eligibility for the teacher choice stipend but may not obtain or regain tenure with that LEA, and if remaining in the LEA shall only be eligible for employment on a year-to-year basis.
- (2) A probationary teacher may opt out of consideration for tenure in the second or subsequent years of employment by the LEA to participate in the teacher choice compensation package, but may not resume the process for qualification for tenure in that district.

(3) A teacher who has chosen the teacher choice compensation package and changes employment to another district may choose to gain tenure in that LEA or may choose to remain in the teacher choice compensation package of the new LEA.

SECTION 5. Teachers shall qualify annually in October for the teacher choice compensation stipend. Stipends shall be offered in five thousand dollar (\$5,000) increments, up to fifteen thousand dollars (\$15,000), but shall not exceed fifty percent (50%) of a teacher's base salary, before deduction for retirement but including supplements for additional duties such as coaching or extended contracts. Any stipend received shall be in addition to the base salary to which the teacher would otherwise be entitled. Teachers receiving the stipend shall receive any pay and benefits received by teachers of similar training, experience, and duties.

SECTION 6. Subject to appropriation, the department of education shall make a payment to the LEA in the amount of the stipend, to be delivered as a lump sum in January following the October of qualification. Such payments shall not be a component of funding under the basic education program.

SECTION 7.

- (a) Beginning with the first full school year after the effective date of this part, teachers who elect to participate in the teacher choice compensation package shall be eligible for stipends based on the following criteria:
 - (1) The teacher's estimate of teacher effect under § 49-1-606; and
 - (2) Evaluations by principals or other administrators with expertise to evaluate classroom performance.
- (b) The department of education shall develop criteria for determining eligibility for stipend increments, including a range of target scores on value added assessments teacher effect data for use by the LEAs.

- 2 - 00366628

SECTION 8. If any provision of this act or the application thereof to any person or circumstance is held invalid, such invalidity shall not affect other provisions or applications of the act which can be given effect without the invalid provision or application, and to that end the provisions of this act are declared to be severable.

SECTION 9. The provisions of this act shall not be construed to be an appropriation of funds and no funds shall be obligated or expended pursuant to this act unless such funds are specifically appropriated by the general appropriations act.

SECTION 10. This act shall take effect upon becoming a law, the public welfare requiring it.

- 3 - 00366628